

GENDER WAGE GAP

For every dollar a man earns in Montana, a woman earns \$0.73 for doing the same job—resulting in a 27% wage gap. This gap is found across all occupations and industries.

Women's wages fuel businesses, the economy, and many working families.

Women are often disincentivized from staying in the workforce due to lower pay, lack of flexible schedule options, or an inability to acquire affordable childcare.

WHY

Competitive fair pay is critical for recruiting and retaining a diverse workforce and high-quality performers.

Women's Policy Research shows that the U.S. economy would be 5% larger by 2030 if the wage gap were cut in half.⁵

Research has shown employers who have fair compensation practices are likely to avoid costly employee turnover, expensive litigation, and damaged reputations.

As workers from the baby boomer era retire, the workforce will only grow by 3,200 workers per year. Because job growth of 4,200 per year is expected, there will be an employee shortage. Being equitable and diverse in hiring will help the Montana economy grow at a faster rate.³

FIND US

EQUAL PAY
FOR
EQUAL WORK
MONTANA TASK FORCE

EQUALPAY.MT.GOV

best practices for EQUITABLE HIRING

Recruit Women to Executive-Level Board Positions

Although women make up 47% of the workforce, they only make 25% of upper-level management positions and only 4% of CEOs.⁵ Fortune 500 companies with three or more women on the board of directors experienced: 73% return on sales, 83% return on equity, 112% return on invested capital.¹

Advertise Diversely

Advertise openings in more diverse ways to reach a wider variety of possible future employees.⁶

Conduct Applicant Testing

Applicant testing is far less biased than interviews, allowing less unconscious bias to influence the hiring process.

Salary History is Irrelevant

Pay range should be set on skill set and experience not salary history. Asking for salary history could cause employers to fail to consider people with a diverse mix of skills and experiences and overlook high quality performers.

Promote Pay Transparency

Providing employees with pay scale information and pay-setting policies and allowing employees to discuss compensation increases the likelihood they will feel they are paid fairly and improve performance. Post each employee's salary in a publicly available place.⁵

Eliminate Salary Negotiation

Studies show that both men and women are uncomfortable with wage negotiation, but women are far more uncomfortable, often resulting in significantly lower pay. Using salary negotiations to set pay expectations leave room for unintended bias. Objective standards should be established before determining pay. Select job titles in a standardized way and set salaries based on titles.

Conduct a Pay Audit

Assess how and what each employee is being paid based on equity. Many well-known companies like Apple and Facebook have conducted equal pay audits to uncover and remedy wage gaps. Correcting these disparities can avoid costly litigation and improve workplace culture.⁵

Stay Vigilant

Equitable hiring is not a simple one-fix effort. Offer unconscious bias trainings to staff involved in hiring, salary setting, and determining promotions—these trainings are easily accessible for free online.

Encourage a Gender-Balance in Hiring Pools

When there is a gender balanced applicant pool, women have a 50% likelihood of being hired. But when men outnumber women 3 to 1 women have a 0% likelihood of being hired. Include women on hiring committees.

RESOURCES

Diversity and Inclusion

- Montana Human Rights Network
- U.S. Department of Labor Women's Bureau

Unconscious Bias Training

- Udeemy
- Grovo
- Microsoft eLesson

Equity Pay Audit

- Lexis Nexis
- Society for Human Resource Management

1) Cataly st 2) Montana Department of Labor and Industry 3) Montana Department of Labor and Industry 4) Montana Department of Labor and Industry 5) Cataly st 6) University Health Services, University of California, Berkley 5) National Women's Law Center